AMENDED IN SENATE AUGUST 28, 2002

AMENDED IN SENATE AUGUST 22, 2002

AMENDED IN SENATE AUGUST 7, 2002

AMENDED IN SENATE JULY 18, 2001

AMENDED IN SENATE JULY 3, 2001

AMENDED IN ASSEMBLY JUNE 4, 2001

CALIFORNIA LEGISLATURE—2001-02 REGULAR SESSION

ASSEMBLY BILL

No. 1105

Introduced by Assembly Members Simitian and Shelley-Member Oropeza (Coauthor: Assembly Member Diaz)

February 23, 2001

An act to to add and repeal Sections 11400.4, 11400.5, and 11462.02 of, the Welfare and Institutions Code, relating to public social services, and declaring the urgency thereof, to take effect immediately. An act to amend Sections 10754 and 11000 of the Revenue and Taxation Code, relating to taxation.

LEGISLATIVE COUNSEL'S DIGEST

AB 1105, as amended, Simitian Oropeza. Foster care: group homes: San Mateo County Vehicle license fees.

The Vehicle License Fee (VLF) Law establishes, in lieu of any ad valorem property tax upon vehicles, an annual license fee for any vehicle subject to registration in this state in the amount of 2% of the market value of that vehicle, as specified. The VLF Law offsets this

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amount by 67.5% for vehicle license fees with a final due date on or after July 1, 2001, and requires the Controller, upon receipt of monthly notification from the Department of Motor Vehicles of the amount of offsets applied, to transfer General Fund moneys to reimburse local governments for losses resulting from the vehicle license fee offset.

The VLF Law also requires, in the event there are insufficient moneys in the General Fund for the Controller to fully reimburse local governments for losses resulting from the vehicle license fee offset, that the offset amount be reduced in proportion to the shortfall in funding to reimburse local governments for those losses. Existing law does not designate the person or agency responsible for making the determination of whether there are sufficient moneys in the General Fund to make these reimbursements.

This bill would provide that the Director of Finance is required to make the same determination of whether there are insufficient moneys in the General Fund for the Controller to fully reimburse local governments for losses resulting from the vehicle license fee offsets.

This bill would clarify that the term "General Fund," as used with reference to the vehicle license fee offset, has the same meaning as set forth in a specified statute, and would specify that the term "General Fund" does not include any moneys in that fund that the state is obligated to repay to the source from which those moneys were received, or any moneys in that fund that are derived from loans or other forms of indebtedness.

Existing law establishes the Aid to Families with Dependent Children-Foster Care (AFDC-FC) program, under which counties provide payments to foster care providers, including foster family homes, on behalf of qualified children in foster care. The program is funded by a combination of federal, state, and county funds, with moneys from the General Fund being continuously appropriated to pay for the state's share of AFDC-FC costs.

Existing law imposes various requirements that must be met as a condition of licensing of community care facilities, including group homes, and provides for the licensure of those entities by the State Department of Social Services.

Under existing law, the AFDC-FC program provides for a group reimbursement rate classification schedule that is based upon the level of services being provided.

This bill would permit the County of San Mateo, until January 1, 2005, to operate a youth crisis/residential treatment facility. This bill

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would require the facility to meet specified requirements, to be licensed by the department, and to be eligible for AFDC-FC group home reimbursement, as prescribed. This bill would also require the county to report to the department and the appropriate committees of the Legislature by April 1, 2004, on specified items relating to the program.

This bill would provide that no appropriation shall be made pursuant to the provision continuously appropriating funds for the AFDC-FC program, for the purposes of funding the bill.

This bill would declare that it is to take effect immediately as an urgency statute.

Vote: $\frac{2}{3}$ majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

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SECTION 1. Section 11400.4 is added to the Welfare and SECTION 1. Section 10754 of the Revenue and Taxation Code is amended to read:

- 10754. (a) Notwithstanding any other provision of law, the total amount of the vehicle license fee otherwise required with respect to a vehicle shall be offset in accordance with those provisions set forth below that are operative pursuant to subdivision (b):
- (1) (A) For any initial or original registration of any vehicle, 10 never before registered in this state, for which the final due date for the license fee is on or after January 1 of any calendar year for which this paragraph is operative, and for any renewal of registration with an expiration date on or after January 1 of any calendar year for which this paragraph is operative, the department shall offset the total amount of fees otherwise due at the time of registration of that vehicle by an amount equal to 25 percent of the amount computed pursuant to Section 10752 or 10752.1, or Section 18115 of the Health and Safety Code.
 - (B) Upon proper payment of license fees to the Department of Motor Vehicles, the amount of the offset for each vehicle shall be transferred into the Motor Vehicle License Fee Account in the Transportation Tax Fund, and into the Local Revenue Fund, pursuant to Section 11000 or Section 11000.1, as applicable.
- (C) During any period in for which the Director of Finance 24 makes a finding that insufficient moneys are available to be

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transferred from the General Fund to fully fund the offsets required by subparagraph (A), within 90 days of a reduction of funding, the department shall, as soon as possible, but no later than 90 days after the Director of Finance makes that finding, reduce the amount of each offset computed pursuant to that subparagraph (A) by multiplying that amount by the ratio of the amount of moneys actually available to be transferred from the General Fund to pay for those offsets to the amount of moneys that is necessary to fully fund those offsets.

- (D) The Controller shall provide the Director of Finance with any information available to the Controller that is requested by the Director of Finance for purposes of making the determination required by subparagraph (C).
- (2) (A) For any initial or original registration of any vehicle, never before registered in this state, for which the final due date for the license fee is on or after January 1 of any calendar year for which this paragraph is operative, and for any renewal of registration with an expiration date on or after January 1 of any calendar year for which this paragraph is operative, the department shall offset the total amount of fees otherwise due at the time of registration of that vehicle by an amount equal to 35 percent of the amount computed pursuant to Section 10752 or 10752.1, or Section 18115 of the Health and Safety Code.
- (B) Upon proper payment of license fees to the Department of Motor Vehicles, the amount of the offset for each vehicle shall be transferred into the Motor Vehicle License Fee Account in the Transportation Tax Fund, and into the Local Revenue Fund, pursuant to Section 11000 or Section 11000.1, as applicable.
- (C) During any period in for which the Director of Finance makes a finding that insufficient moneys are available to be transferred from the General Fund to fully fund the offsets required by subparagraph (A), within 90 days of a reduction of funding, the department shall, as soon as possible, but no later than 90 days after the Director of Finance makes that finding, reduce the amount of each offset computed pursuant to that subparagraph (A) by multiplying that amount by the ratio of the amount of moneys actually available to be transferred from the General Fund to pay for those offsets to the amount of moneys that is necessary to fully fund those offsets.

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(D) The Controller shall provide the Director of Finance with any information available to the Controller that is requested by the Director of Finance for purposes of making the determination required by subparagraph (C).

- (3) (A) For any initial or original registration of any vehicle, never before registered in this state, for which the final due date for the license fee is on or after January 1 of any calendar year for which this paragraph is operative, and for any renewal of registration with an expiration date on or after January 1 of any calendar year for which this paragraph is operative, the department shall offset the total amount of fees otherwise due at the time of registration of that vehicle by an amount equal to $67^{1}/_{2}$ percent of the amount computed pursuant to Section 10752 or 10752.1, or Section 18115 of the Health and Safety Code.
- (B) Upon proper payment of license fees to the Department of Motor Vehicles, the amount of the offset for each vehicle shall be transferred into the Motor Vehicle License Fee Account in the Transportation Tax Fund, and into the Local Revenue Fund, pursuant to Section 11000 or Section 11000.1, as applicable.
- (C) During any period in for which the Director of Finance makes a finding that insufficient moneys are available to be transferred from the General Fund to fully fund the offsets required by subparagraph (A), within 90 days of a reduction in funding, the department shall, as soon as possible, but no later then 90 days after the Director of Finance makes that finding, reduce the amount of each offset computed pursuant to that subparagraph (A) by multiplying that amount by the ratio of the amount of moneys actually available to be transferred from the General Fund to pay for those offsets to the amount of moneys that is necessary to fully fund those offsets.
- (D) The Controller shall provide the Director of Finance with any information available to the Controller that is requested by the Director of Finance for purposes of making the determination required by subparagraph (C).
- (b) The offset provisions set forth in subdivision (a) shall be operative as provided by the following:
- (1) Paragraph (1) of subdivision (a) shall be operative for vehicle license fees with a final due date in the calendar year beginning on January 1, 1999.

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(2) Paragraph (2) of subdivision (a) shall be operative for vehicle license fees with a final due date on or after January 1, 2000, and before July 1, 2001.

- (3) Paragraph (3) of subdivision (a) shall be operative for vehicle license fees with a final due date on or after July 1, 2001.
 - (c) (1) For purposes of this section, "department" section:
- (1) "Department" means the Department of Motor Vehicles with respect to a vehicle license fee offset for a vehicle subject to registration under the Vehicle Code, and the Department of Housing and Community Development with respect to a vehicle license fee offset for a manufactured home, mobilehome, or commercial coach described in Section 18115 of the Health and Safety Code.
- (2) For purposes of this section, the The "final due date" for a license fee is the last date upon which that fee may be paid without being delinquent.
- (3) "General Fund" has the same meaning as that term is defined in Section 16300 of the Government Code, but does not include either of the following:
- (A) Any moneys deposited in the General Fund that the state is obligated to either repay or return to the source, fund, account, or any successor thereof, from which the money was received.
- (B) Any moneys deposited in the General Fund that are derived from short-term obligations, loans, sales of bonds or debentures, or other forms of indebtedness.
- SEC. 2. Section 11000 of the Revenue and Taxation Code is amended to read:
- 11000. (a) Beginning on the operative date of Section 9551.2 of the Vehicle Code, the Controller shall do both of the following:
- (1) Transfer from the General Fund to the Motor Vehicle License Fee Account in the Transportation Tax Fund an amount equal to 75.67 percent of the amount of offsets that are applied by the department pursuant to Sections 9551.2 and 9554.1 of the Vehicle Code.
- (2) Transfer from the General Fund to the Local Revenue Fund, 36 established pursuant to Section 17600 of the Welfare and Institutions Code, in the Transportation Tax Fund an amount equal to 24.33 percent of the amount of offsets that are applied by the department pursuant to Sections 9551.2 and 9554.1 of the Vehicle Code.

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(b) The department shall notify the Controller *and the Director of Finance* of the total amount of the offsets applied by the department pursuant to Sections 9551.2 *and* 9554.1 of the Vehicle Code concurrently with the department's transfer for deposit of vehicle license fee revenues as required by law.

- (c) For purposes of Section 15 of Article XI of the California Constitution, the General Fund revenues that are transferred as required by paragraph (1) of subdivision (a) shall constitute successor tax revenues to the vehicle license fees offset in this part and shall be allocated in the same manner as revenue derived from taxes imposed pursuant to this part.
- (d) For purposes of Article 1 (commencing with Section 25350) of Chapter 5 of Part 2 of Division 2 of Title 3 of the Government Code, Section 11003, and Chapter 6 (commencing with Section 17600) of Part 5 of Division 9 of the Welfare and Institutions Code, the General Fund transfer amounts specified in paragraphs (1) and (2) of subdivision (a) are hereby deemed to be vehicle license fee proceeds and vehicle license fee revenues. These General Fund transfer amounts are subject to the same pledges, liens and encumbrances, and priorities set forth in Section 25350 and following of, Section 53584 and following of, and Section 5450 and following of, the Government Code.
- (e) Nothing in this section amends or intends to amend or impair Section 25350 and following of, Section 53584 and following of, the Government Code, or any other statute dealing with the interception of funds.

Institutions Code, to read:

- 11400.4. (a) Notwithstanding subdivision (h) of Section 11400, for purposes of this article, "group home" also means a county-operated home, as provided for under Section 11400.5.
- (b) This section shall remain in effect only until January 1, 2005, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2005, deletes or extends that date.

 SEC 2 Section 11400 5 is added to the Welfare and
- SEC. 2. Section 11400.5 is added to the Welfare and Institutions Code, to read:
- 11400.5. (a) The County of San Mateo may operate a youth crisis/residential treatment facility for up to 12 youths who are seriously emotionally disturbed to demonstrate that length of out-of-home placement can be shortened when interagency partners, including mental health, human services, and juvenile

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probation and the youth's parents or responsible caregivers are
 directly involved in the development of treatment and aftercare
 plans from the initiation of the residential placement.

- (b) The facility shall be licensed by the department's Community Care Licensing Division and shall be staffed and structured to be eligible for a Rate Classification License (RCL) 13/14 pursuant to Section 11462.
- (e) The County of San Mateo's facility's program shall implement a "no eject/no reject" policy.
- (d) The facility's program shall receive policy oversight from the San Mateo County Board of Supervisors.
- (e) The county shall report to the department and the appropriate committees of the Legislature by April 1, 2004, on all of the following items:
- (1) The average length of residential placement in the program and the average length of residential placement in comparable RCL 13/14 youth residential treatment programs.
- (2) The number of youth admitted to the program who have acute psychiatric hospitalizations during their residential stay.
- (3) The average annual inpatient psychiatric days for youth involved in the Children and Youth System of Care in the two years prior to the implementation of the program.
- (4) The County of San Mateo's annual out-of-home placement rate in the two years prior to the implementation of the program and in the years following the implementation of the program.
- (5) Annual rating of the program by the youth, parents, or earegivers.
- (f) This section shall remain in effect only until January 1, 2005, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2005, deletes or extends that date.
- SEC. 3. Section 11462.02 is added to the Welfare and Institutions Code, to read:
- 11462.02. (a) Notwithstanding paragraph (2) of subdivision (a) of Section 11462, a foster care provider licensed as a group home may also have a rate established if the group home is a county-operated home, as provided for under Section 11400.5.
- 37 (b) This section shall remain in effect only until January 1, 38 2008, and as of that date is repealed, unless a later enacted statute, 39 that is enacted before January 1, 2008, deletes or extends that date.

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SEC. 4. No appropriation pursuant to Section 15200 of the Welfare and Institutions Code shall be made for the purpose of funding this act.

SEC. 5. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to expeditiously authorize operation of a foster care group home to serve seriously emotionally disturbed youth in San Mateo County, thereby alleviating the county's severe shortage of available placements of this kind, it is necessary that this act take effect immediately.